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U.S. Attorney Is Asked To Resign, Reports Say

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The U.S. attorney in San Diego has been asked to resign because he told a reporter that his superiors were blocking the indictment of a former Mexican intelligence agency head implicated in a car theft ring, sources said yesterday.

The attorney, William H. Kennedy, was appointed to the post by President Reagan last November. He refused to take calls yesterday.

Kennedy was quoted in the San Diego Union last Friday as saying U.S. intelligence sources were concerned about the possible indictment of Miguel Nassar Haro, former chief of Mexico's federal security force, because of his "indispensability as a source of intelligence in Mexico and Central America."

Kennedy was called to Washington Monday for a meeting with superiors and since has been asked to resign, sources said. Some sources said the decision to force him out of office seemed based on the Justice Department's embarrassment that he discussed the blocked indictment, rather than that he identified Nassar as an intelligence source. "What's surprising about the head of a friendly intelligence service trading information?" one source said.

Another said, though, that the Mexican government had com-

plained about the publicity on Nassar's cooperation with U.S. intelligence. The Reagan administration has contended that U.S. intelligence sources abroad are drying up because of leaks, and has strongly supported legislation making it crime to disclose the identities of American intelligence agents or sources.

Nassar was head of the Mexican security force, a combination CIA-FBI, from 1977 until last January. Several of his agents were indicted last year in connection with a ring that stole hundreds of cars in southern California and sold them in Mexico.

Sources said that Nassar was suspected of leading the ring, but early evidence showed only that he had received a stolen van. The FBI's legal attache in Mexico City expressed concern about a possible prosecution last year, noting that Nassar's agents protected the U.S. ambassador from terrorist attacks, the sources said.

The 50-year-old Kennedy was a long-time assistant district attorney in San Diego until appointed to the federal job. When asked about the intelligence community's concern about Nassar's importance as a source, he was quoted as saying: "I realize this must be factored in, but I'm concerned about the victims—car owners or the insurance companies—that have paid off claims."